### A BRIEF GUIDE TO STAT-USA

(http://home.stat-usa.gov)

STAT-USA®, an agency in the U.S. Department of Commerce's Economics and Statistics Administration, delivers vital economic, business, and international trade information to individuals and businesses. This information enables businesses, particularly exporters, to perform comprehensive market research and make informed business decisions. Over the years, business people and educators alike have come to depend on various web products offered by STAT-USA for up-to-date, credible, and reliable information.

STAT-USA brings together information from hundreds of separate offices and divisions throughout the Federal Government, and provides it to the public via three Websites: STAT-USA®/Internet<sup>TM</sup> (domestic and international business and trade opportunity information), USA Trade® Online (U.S. merchandise trade statistics resulting from foreign trade), and EuroTrade Online® (intra- and extra-EU trade statistics).

This chapter provides an overview of the information resources available on STAT-USA/Internet and USA Trade *Online*, as well as searching and navigation tips to facilitate your international market research and analysis. It does not, however, include detailed instructions related to EuroTrade *Online*; users interested in finding out more about this particular site should contact STAT-USA directly.

STAT-USA welcomes feedback from its users. Questions, comments, and service inquiries should be directed to STAT-USA's Customer Service Center via phone at 1-800-STAT-USA (or 202-482-1986) and via e-mail at statmail@esa.doc.gov.

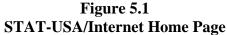
## **Accessing STAT-USA Web Services**

In 1994, Congress directed STAT-USA to recover operational costs by charging users for access to its products and services; however, in a partnership between the U.S. Government Printing Office and the Commerce Department, free public access to STAT-USA/Internet and USA Trade *Online* is provided at Federal Depository Libraries (FDLs) nationwide (visit <a href="http://www.gpoaccess.gov/libraries.html">http://www.gpoaccess.gov/libraries.html</a> to find an FDL near you). Additionally, hundreds of schools and businesses across the country have multiple-user access to STAT-USA services through site license and consortium accounts. Finally, individuals can gain access to our services on a single-designated user basis (visit <a href="http://www.stat-usa.gov/products">http://www.stat-usa.gov/products</a> for pricing and order information).

### **STAT-USA/Internet**

(http://www.stat-usa.gov)

STAT-USA/Internet (see *Figure 5.1*) is a single point of access to business, trade, and economic information from across the Federal Government. STAT-USA/Internet's content is organized into two main sections:





**State of the Nation**<sup>®</sup> **(SOTN):** This section tracks the direction of the U.S. economy and provides a repository for statistical releases of economic indicators from a number of federal agencies, including the U.S. Census Bureau, Bureau of Economic Analysis, Bureau of Labor Statistics, Federal Reserve Board, Department of Treasury, and Federal Reserve System banks. Information provided in SOTN includes economic news/releases, economic indicators, and topical areas including employment and economic policy, and restricted releases. The main SOTN page is located at http://www.stat-usa.gov/sotn.

National Trade Data Bank (NTDB®): This section provides information on international commerce from federal agencies, such as the Department of Agriculture, Department of State, Census Bureau, Defense Logistics Agency, and U.S. Trade Representative. Information provided in the NTDB includes trade leads, exchange rates, market and country research, contact databases, and the International Trade Library (ITL). The main NTDB page is located at <a href="http://www.stat-usa.gov/ntdb">http://www.stat-usa.gov/ntdb</a>.

In response to user feedback, STAT-USA/Internet includes selected information from nonfederal sources. These include the Institute for Supply Management, Cantor/Fitzgerald, Organisation for Economic Co-operation and Development, The Conference Board, United Nations, University of Michigan, and World Bank.

# **Unique Navigation and Searching Instructions**

STAT-USA/Internet provides a host of navigation tools and a range of easy-to-use search options to help guide your research. In additional to the highlights below, detailed searching instructions are available at <a href="http://www.stat-usa.gov/help\_search">http://www.stat-usa.gov/help\_search</a>. Figures 5.2a-5.2c show where key navigation and searching features are located on the site.

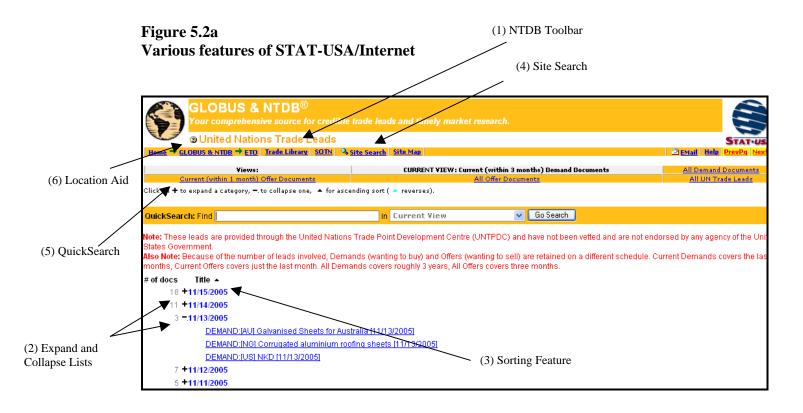
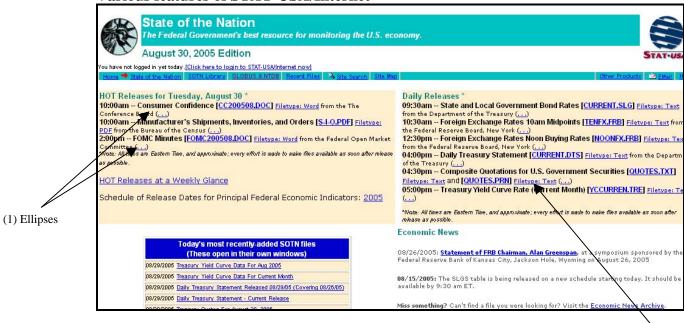


Figure 5.2b Various features of STAT-USA/Internet



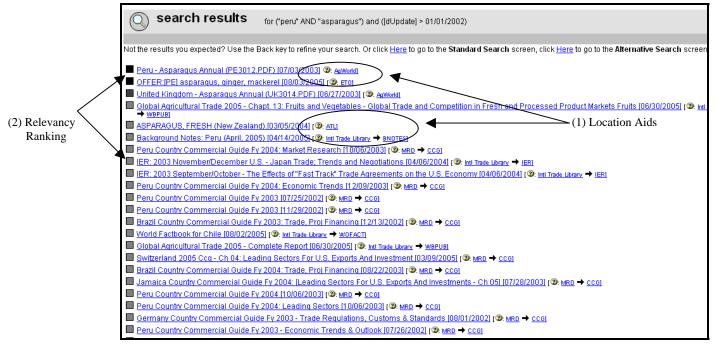
# Navigation Tips

- A **toolbar** (see note 1 in *Figure 5.2a*) is available at the top of each page within the various databases on STAT-USA/Internet. The toolbar is green in SOTN and orange in NTDB. This toolbar provides links to other databases and features.
- Expand/Collapse Lists +/-. (see note 2 in *Figure 5.2a*)
  Plus and minus signs are used throughout STAT-USA/Internet to expand or collapse lists.
  Simply click on the "+" to expand a category and "-" to collapse it.
- **Sorting** ▲ (see note 3 in *Figure 5.2a*)

  Many databases in STAT-USA/Internet have sorting capabilities. When available, click ▲ to sort a view in ascending order, and again to reverse.
- Ellipses (...) (see note 1 in *Figure 5.2b*)
  Ellipses are found directly following HOT Releases on the SOTN front page. Clicking on an ellipse directs users to related releases in the SOTN Library.

(2) Filètype

Figure 5.2c Various features of STAT-USA/Internet



# Location Aids ②

Location Aids provide brief descriptions of the various files, databases, and country information housed on STAT-USA/Internet. They are found directly following the document title on any search results screen (see note 1 in *Figure 5.2c*) and before the page title that appears above SOTN and NTDB toolbars (see note 6 in *Figure 5.2a*). Additionally, location aids follow document titles and country groupings in Documents Added Recently, Market Research Reports (MRD), the ITL, and the SOTN Library. Clicking on one of the acronyms following the Location Aid icon activates a pop-up window describing that file's content. You can also use Location Aids from your search results screen to see where documents are located on our site. Small, black arrows are used to indicate that a file is located within the SOTN Library, MRD, or the ITL.

### Searching

- STAT-USA/Internet provides two options for **site searching** (see note 4 in *Figure 5.2a*) **Standard Search** and **Alternative Search**, both of which allow exclusion searches. For most users, Standard Search is all they will ever need. One distinction between these searches is that Alternative Search is more intuitive for Boolean fans. Additionally, a **QuickSearch option** is available feature to expedite searches within a given database (see note 5 in *Figure 5.2a*).
- The gray-shaded boxes in the left column of STAT-USA/Internet's search results list depict **relevancy ranking** (see note 2 in *Figure 5.2c*) the darker the gray, the more relevant the document. To find the actual relevancy percentage, hover your mouse over the box and a small box with the related number will appear.

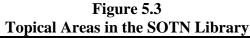
## Frequently Asked Questions

- I don't understand the notation listed under "STAT-USA/Internet Sources" following the *Experiential Exercises*, can you explain this to me? Good question! These acronyms are intended to help you navigate STAT-USA/Internet's various databases and get to the information you need in short order. Starting from STAT-USA/Internet's home page (<a href="http://www.stat-usa.gov">http://www.stat-usa.gov</a>), you will be directed to enter either State of the Nation (SOTN) or the National Trade Data Bank (NTDB) databases. SOTN contains an additional database, called the SOTN Library. Likewise, within the NTDB, there are additional databases, namely Market Research Reports (MRD) and the International Trade Library (ITL). You can link to MRD by clicking on any of the reports listed under "Market and Country Research" on the main NTDB page (Note: Country Background Notes and AgWorld Attache Reports are not part of MRD, although they are listed in this section of the NTDB home page). Descriptions of the destination files and reports are detailed later in this chapter.
- You mention specific Country Commercial Guide sections in the Experiential Exercises. However, when I try to access these, the chapter titles are listed for some countries and not others. Am I in the right section? Is there a reason why the chapters aren't labeled for every country? Or at the very least, is there a reason why the chapter numbers aren't consistent for the same sections (e.g. Chapter Eight Investment Climate)? While the Country Commercial Guides generally follow the consistent naming convention outlined in the Experiential Exercises, unfortunately, the elimination of the "quality control" unit due to interagency changes at the source agency, has created a few gaffes. STAT-USA works with these agencies to maintain a consistent titling format as we become aware of discrepancies. We also correct inconsistencies in the titles on our own as we discover them. Most reports are posted through an automated procedure and we do not have the resources to make an exhaustive review so some problems slip through.
- What file formats are available via STAT-USA/Internet? The information contained on STAT-USA/Internet is available in a variety of file formats (see note 2 in *Figure 5.2b*) including: ASCII, PDF, Self-extracting, Spreadsheet (Excel or Lotus1-2-3), Text, Word, WordPerfect, and ZIP. Some, but not all, files are available in more than one of these formats. Where relevant, click on the "Filetype:" prompt for more information.
- How long are files retained in STAT-USA/Internet databases? The archiving of materials on STAT-USA/Internet is done on a subjective basis, primarily by date (generally for a maximum of three years) and popularity. In the NTDB, you can broaden your search to include archived materials by toggling the Browse Location view in the MRD database to "by Date Posted All," "by Industry All," "by Country All," or "by Fiscal Year All." For older materials, please contact the source agency.
- Your site says there are hundreds of International Market Insight reports, yet when I open the view, I only see a fraction of these listed. Where are they? They are all

there; you just have to click the PrevPq NextPq links at the top-right and bottom-right corners of your screen to continue reading through the entries.

#### State of the Nation

SOTN contains over 3,000 files of current and historic domestic economic and financial information from various federal agencies. Highlights from daily releases and the Top 50 most popular files are identified on the SOTN home page, while the complete collection of SOTN files is located in the SOTN Library. *Figure 5.3* shows the topical areas found in the SOTN Library, followed by brief overviews of these areas.





- **Summaries and Testimonies:** Contains speeches and miscellaneous information from federal officials.
- **NIPA Information:** Contains National Income and Product Account (NIPA) statistics, such as Gross Domestic Product and personal income from the Bureau of Economic Analysis.
- Economic Indicators: Contains current and historical general economic indicators, such as monthly Retail Sales and Shipments, Inventories and Orders compiled by the Economics and Statistics Administration.
- Employment Statistics: Contains current and historical statistics on employment and unemployment, such as the Employment Situation released by the Bureau of Labor Statistics.
- **Price and Productivity Statistics:** Contains price statistics used to track inflation/deflation and the rise of wages, such as the Producer/Consumer Price Index compiled by the Bureau of Labor Statistics.
- **Industry Statistics:** Contains industry related information, such as the Current Industrial Survey reports from the Census Bureau or the Federal Reserve Board.
- **Fiscal and Monetary Policy:** Contains releases, such as the Selected U.S. Interest Rates, Treasury Quotations, and Treasury Yield Curve released by the Federal Reserve Board and the Treasury Department.
- **Government Bond Rates:** Contains the State and Local Government Bond Rates, from the Treasury Department.

- **Daily Treasury Statements:** Contains the Treasury Bulletin and daily and monthly Treasury Statements from the Treasury Department.
- Treasury Auction Results: Contains current and historical Treasury Auction Results.
- **Regional Economic Statistics:** Contains releases from the Bureau of Economic Analysis on regional statistics and releases, such as the Gross State Product and Personal Income and Earnings.

### **National Trade Data Bank**

The NTDB provides current and historical trade-related news releases, international market research, trade opportunities, and country analyses. Materials are provided by federal agencies and select nonfederal sources. See below for descriptions of popular NTDB files and databases:

**Today's Global Business Opportunity Leads:** This section contains a collection of leads from both official federal and nonfederal sources identifying new markets and potential international partners.

- **Agricultural Trade Leads** (ATL): This source contains information on foreign buyers seeking U.S. food, agricultural, and forest products. Individual leads include detailed contact information, product specifics and quantities needed, package and label requirements, type of quote required, and bank of reference.
- Commercial Trade Leads (CTL) and Trade Opportunity Program (TOP): The Trade Opportunity Program was discontinued by the U.S. & Foreign and Commercial Service (USFCS) in 2002, but STAT-USA continued to carry other leads from USFCS which we labeled TOP leads. Currently, we carry public trade leads from the USFCS on our Website as CTLs. Since they have a common source, we have combined CTLs and TOPs into one database. Gathered by U.S. embassies around the world, these leads include requests for manufactured goods, services, representation, investment, joint-ventures, and licensing from both private companies and foreign governments.
- **Defense Logistics Agency Leads** (DLA): This source lists contracting opportunities to provide supplies and services to America's military forces worldwide. Commercial vendors may perform comprehensive and detailed searches against Request for Quotation and Award documents.
- **FedBizOpps Leads** (FedBizOpps, previously Commerce Business Daily,): This source lists Federal Government procurement opportunities over \$25,000. Commercial vendors seeking federal markets for their products and services can search, monitor, and retrieve opportunities solicited by the entire federal contracting community.

- International Market Insight Reports (IMI): This source provides short profiles of specific foreign market conditions or opportunities for U.S. companies interested in doing business overseas. Prepared by both private and public sources within a particular country, IMIs provide information on a dynamic aspect of a particular market. For example, they may focus on specific projects, industry profiles, finance and marketing trends, regulation and import changes, trade show opportunities, or government policy updates.
- United Nations Trade Leads (ETO, Electronic Trading Opportunities): This source contains leads (both demands for buyers and offers for sellers) for small and medium-sized enterprises originating from over 150 trade points around the world.

**Current Exchange Rates**: This section contains daily, weekly (H.10), monthly (G.5), and annual (G.5A) rates of exchange of major currencies against the U.S. dollar. Note: These files are also found in SOTN.

Market Research Reports (MRD): This database contains reports covering a wide range of information needed by exporters, including – best-selling markets, market access, top imports, demographic information, trade barriers, market size, market characteristics, competitive analysis, market outlook, economic trends, trade events, government regulations, and in-country trade contracts. MRD can be accessed through all the programs listed under "Market and Country Research" on the main NTDB page, except Country Background Notes and AgWorld Attache Reports. Note: International Market Insight Reports are defined above in the Global Business Opportunities section.

- **Best Market Reports** (BMR): These reports include every industry sector cited as a best export prospect in the Country Commercial Guides. Sectors are designated as "Best Prospects" based on near-term growth potential and market receptivity to additional U.S. suppliers. The USFCS no longer produces BMRs, however, due to continued customer demand, we house the most current reports available on our site.
- Country Commercial Guides (CCG): These reports profile the political, economic, and commercial environment of foreign countries. More specifically, CCGs look at market conditions, economic situations, political environment, best export sectors, trade regulations, investment incentives, finance techniques, upcoming trade events, marketing strategies, services for exporters, and business travel tips for nearly 150 countries.
- Global Agriculture Information Network (GAIN) Agworld Attache Reports (AgWorld): These reports provide information on agricultural production, trade trends, foreign legislation and regulations, and trade policies affecting U.S. agricultural trade.
- Industry Sector Analysis (ISA): This source provides in-depth profiles of a specific industry subsector within a country, including analysis of market opportunities, endusers, competitors, market access, distribution channels, market barriers, and financing options. Industry Sector Analysis reports also list several best sales prospects, trade promotion opportunities, and in-country contacts.

• Multilateral Development Bank (MDB): MDB briefs provide details on projects in developing markets that may be of interest to U.S. businesses and consultants.

**Contacts**: This section consists of the NTDB Global Trade Directory and the National Export Directory, which enable users to register their company online, search for international partners, research the competition, and locate trade-related officials working in their state.

- **Foreign Trade Offices** (FTO): This section provides contact information for foreign and domestic trade offices that assist exporters with a wealth of international trade information, ranging from travel tips to the latest economic news.
- National Export Directory (NED): NED provides contact information for local export support offices across the United States, Puerto Rico, and the Virgin Islands.
- NTDB Global Trade Directory (GTD): The Directory contains detailed information on products, services, and industries offered by local, regional, national, and global companies. In fact, it includes much of the same contact information once available in the Foreign Traders' Index and Export Yellow Pages. Customers can join the nearly one million companies from over 165 countries already listed on this database by registering their own company information online.

**International Trade Library** (ITL): Contains over 4,000 documents from a variety of federal agencies that provide new-to-market exporters with a wealth of procurement-, commodity-, industry-, country-, and region-specific information, in addition to general trade overviews and "How To" guides. As shown in *Figure 5.4*, you can toggle between ITL programs using the drop-down box at the top of the page.

Figure 5.4
Programs in the International Trade Library



• **Aerospace Industry: Directories and Reports** (AERO): These reports contain the latest aerospace trade leads, policy news, and trade events from the Office of Aerospace in the Commerce Department.

- **Afghani Reports** (AFGHAN): Produced by a Task Force in the Commerce Department with support from the U.S. Embassy in Kabul, other U.S. government agencies, and international organizations, these reports include information on the latest developments and opportunities in Afghanistan.
- **Army Area Handbooks** (ARMAN): Prepared by the Library of Congress and sponsored by the Army, these detailed country studies look at the interrelationships of a particular country's political, economic, national security, and social systems with special attention to the beliefs and values of the people who make up the society.
- Asian Development Bank Business Opportunities (ADBBO): This source provides information on the requirements for goods, works, and services of projects under consideration by the Asian Development Bank.
- Asian Development Bank Selected Publications (ADB): Includes key reports and publications on economics, environment, social, and other important sectors in the Asian and Pacific Regions produced by the Asian Development Bank.
- **Basic Guide To Exporting** (GUIDE): This publication, compiled by the Commerce Department's Trade Information Center (TIC), helps U.S. firms develop successful exporting strategies by directing them to information and assistance sources throughout the federal and state government, as well as sources in private industry.
- BISNIS Bulletin (Newly Independent States) (BISBUL): This source provides articles on Eurasian market developments, business practices, regulatory environment, financing, and related trade events. Key markets covered include Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrsyzstan, Moldova, the Russia Federation, Tajikistan, Turkmenistan, Ukraine, and Uzbekistan.
- Country Analysis Briefs (CABS): Provided by the Energy Department, this source contains information and discussion about the economy, energy sector, and environment of over 100 countries worldwide.
- Country Background Notes (BNOTES): This source contains facts on the land, people, history, government, political conditions, economy, and international relations of each country with which the United States has relations, as submitted by regional bureaus of the State Department.
- Country Reports on Economic Policy and Trade Practices (ECOPOL): These reports provide a single, comparative analysis of the economic policies and trade practices of countries with whom the United States has significant economic or trade relationships. The State Department stopped producing them in fall 2002; our site houses the most current reports available.

- **Electric Current Abroad** (ELECT): To assist U.S. manufacturers, exporters, and individuals living or traveling abroad, this publication lists the characteristics of electric current available and the type of attachment plugs used in most countries.
- European Bank's Procurement Opportunities (EBPO): This source contains procurement notices for contractors, job-seekers, co-financiers, consultants, and nongovernmental organizations interested in central and eastern European market opportunities, as provided by the European Bank for Reconstruction and Development.
- Export America (BAM): Export America is a monthly publication from the Commerce Department aimed at helping American companies sell their products overseas. Each issue includes trade leads, marketing advice, export tips, descriptions of U.S. trade programs, status of trade negotiations, country trade outlooks, and worldwide trade opportunities.
- **Export Programs Guide** (EPG): This comprehensive export resource, compiled by the TIC, provides a listing of all federal programs that aid U.S. companies in exporting their goods and services around the world.
- **Fish and Fishery Product Annual Reports** (FISHAN): This source includes various annual reports produced by the National Oceanic and Atmospheric Administration (NOAA), such as Fisheries of the U.S. and the Foreign Trade Report, which provide economic statistics related to the fish and fishery products industries.
- **Fish and Fishery Product Quarterly Reports** (FISHQT): These reports provide quarterly summaries of import and export trade in fish and fishery products compiled by NOAA.
- **Foreign Assets Control Information** (FACI): This resource contains information from the Treasury Department's Office of Foreign Assets Control which informs U.S. companies about the rules and regulations surrounding various economic sanctions against targeted hostile foreign countries.
- **Foreign Labor Trends** (FLT): These annual reports from the Labor Department describe and analyze labor trends in more than 70 countries.
- Foreign Spot Exchange Rates (EXRATE): Updated monthly, this resource contains historical spot exchange rates for 31 foreign countries based on averages of certified noon buying rates in New York for cable transfers.
- **Foreign Trade Offices** (FTO): This section provides contact information for foreign and domestic trade offices that assist exporters with a wealth of international trade information, ranging from travel tips to the latest economic news.

- Inter-American Development Bank Projects (IADB): This source lists country-specific projects in Latin America and the Caribbean, approved by the Inter-American Development Bank.
- International Economic Review (IER): This monthly staff publication from the Office of Economics in the U.S. International Trade Commission (USITC) informs the Commission of significant developments in international economics and trade and provides policy makers with technical information and advice on international trade matters.
- **International Energy Annual** (IEA): This report, compiled by the Energy Department, presents information and trends on world energy production and consumption for petroleum, natural gas, coal, and electricity, as well as prices for selected crude oils and refined petroleum products in selected countries.
- International Energy Outlook (IEO): This report presents an assessment by the Energy Information Administration in the Energy Department of the outlook for international energy markets through 2025.
- International Narcotics Control Strategy Report (NARC): Compiled by the State Department in consultation with other agencies, this source provides an assessment of drug production and trafficking in over 130 countries.
- International Petroleum Monthly (IPM): Produced by the Energy Information Administration in the U.S. Department of Energy, this source provides current data on international oil production, demand, imports, and stocks.
- Iraq Reports (IRAQ): Produced by a Task Force in the Commerce Department, this section contains useful information for U.S. companies participating in the economic rebuilding of Iraq.
- **Iraq Tenders** (IRAQTN): This source provides trade leads from the Iraq Investment and Reconstruction Task Force office in the U.S. International Trade Administration.
- National Trade Estimates on Foreign Trade Barriers (NTE): This source provides an inventory of trade barriers or distortions affecting goods, services, investment, and intellectual property rights of major U.S. trading partners.
- Patterns of Global Terrorism (TERROR): Released annually by the State Department, this source provides region-specific terrorism overviews as well as a chronology of significant terrorist incidents, information on terrorist groups, and related statistical and economic information.
- The Year in Trade (YEARIN): Released annually by the USITC, this source provides a comprehensive overview of the major trade-related activities of the United States.

- Trade Policy Agenda and Annual Report (TPA): Prepared annually by the U.S. Trade Representative, this source provides an inventory of trade barriers or distortions affecting goods, services, investment, and intellectual property rights of major U.S. trading partners.
- World Bank Commodity Price Data (PinkSheets) (PINK): This source provides summarized monthly commodity price data from the World Bank.
- World Bank International Business Opportunities Service (BUSOPP): This source provides information on projects supported by World Bank loans or credits. Companies, academic institutions, non-governmental organizations, and individuals from World Bank member countries are eligible to compete for these business opportunities.
- World Bank Publications (WBPUB): This section contains annual economic and financial overviews from the World Bank which discuss increasing growth and accelerating poverty reduction, as well as focus on recent trends in and prospects for financial flows to developing countries.
- World Factbook (WOFACT): This source provides an overview of a country's geography, people, government, economy, communication and transportation systems, military, and any transitional issues. World Factbooks are prepared by the Central Intelligence Agency (CIA), with information from various government agencies.
- World Factbook Comparative Fields (WOFCMP): This source is provided by the CIA and presents all of the relevant information on a particular field of interest across countries. The comparative field listings in this section range from a country's economic indicators and government structure to its ethnic composition and demography. In addition, within country rank orderings of these fields are also provided where applicable.
- World Factbook Comparative Tables (WOFTAB): Provided by the CIA, these tables allow for comparative analysis by presenting rank-ordered information on the geography, people, government, economy, communication and transportation systems, military, and any transitional issues of all countries in the World Factbook.

#### **USA Trade Online**

(http://www.usatradeonline.gov)

USA Trade *Online* covers merchandise trade only. Merchandise trade is defined as goods, including physical items such as automobiles, steel, food, clothing, appliances, and furniture. It does not include services or balance of payment adjustments.

Figure 5.5: The USA Trade *Online* home page



Provided in partnership by STAT-USA, the Foreign Trade Division of the Census Bureau, and Beyond 20/20, USA Trade<sup>®</sup> *Online* (see *Figure 5.5*) is the official source for U.S. merchandise trade data, offering current and cumulative data on more than 18,000 export commodities and 24,000 import commodities traded between the United States and all its trading partners. Commodities are classified by the Harmonized System (HS) codes, which are defined on the two-, four-, six-, and ten-digit levels in the United States. Additionally, quantity and customs districts detail are available. You'll also find annual data from 1992 and monthly data since 2002. The "Selection Criteria" section in Step 4 below details these various types of data (called "dimensions").

It is easy for first-time and novice users to become overwhelmed by USA Trade *Online's* massive databases of merchandise trade data, not to mention the variety of options available to help analyze the data. The remainder of this chapter lays out the USA Trade *Online* basics and carries you through five easy steps to mastering merchandise trade data:

- Step 1: Select your data (see "Data Source Selection" for more information).
- Step 2: Choose the commodity or commodities under study (see "Commodity Selection" for more information).
- **Step 3: View your report!** (click "View Report" as shown in note 1 of *Figure 5.8*).
- **Step 4: Determine your data dimensions** (see "Selection Criteria" for more information).
- Step 5: Tweak the various reporting features and options (see "Report Features" and "Report Options" for more information).

STAT-USA welcomes feedback from its users. Questions, comments, and service inquiries should be directed to STAT-USA's Customer Service Center via phone at 1-800-STAT-USA (or 202-482-1986) and via e-mail at <a href="mail@esa.doc.gov">statmail@esa.doc.gov</a>.

### Step 1 – Data Source Selection

The Data Source Selection screen (see *Figure 5.6*) is your first stop after choosing "Click here to access the trade data" from USA Trade *Online's* homepage. This is where you select an initial **report type** (see note 1 in *Figure 5.6*). Although there are a number of formats listed (eight for imports and eight for exports), you aren't bound to the default settings of a particular table. Using your Selection Criteria and other Report Features (more on these below), you can manipulate the rows and columns to create your desired table format.



Figure 5.6:
The Data Source Selection screen on USA Trade *Online* 

A word of caution: You can't switch to exports (merchandise going out of the United States to foreign countries) if you initially select one of the import tables (arrivals of merchandise to the United States from foreign countries) or vice versa. First, figure out whether you want to look at imports or exports and then take a guess at the table format you want. We recommend beginners select one of the Standard Report (Monthly, Annual, or Cumulative Year-to-Date or "YTD")<sup>1</sup> options, and test the additional formats (which have pre-selected data dimensions) when you're more acclimated with the site.

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<sup>&</sup>lt;sup>1</sup> Year-to-Date (YTD) refers to data for January of the current year through the current data month. For example, if merchandise trade data were just released for June 2005, the YTD totals would be for the first six months (January – June 2005).

As previously mentioned, all reports in the same folder (imports or exports) take you to the same database; only the default settings change. See below for a brief description detailing the default settings of each report type.

### • Standard Report – Monthly Imports/Exports

View the value and quantity for a commodity (or commodities) for the five most current months. The results can be sorted by value (as well as by quantity at the ten-digit level) and regenerated by commodity, country, customs district area, measure, and/or time options using the Selection Criteria listed on the left side of the screen.

## • Standard Report – Annual

View the value and quantity for a commodity (or commodities) for the four most current years and current YTD. The results can be sorted by value (as well as by quantity at the ten-digit level) and regenerated by commodity, country, customs district area, measure, and/or time options using the Selection Criteria listed on the left side of the screen.

# • Standard Report – Cumulative YTD

View the value and quantity for a commodity (or commodities) for the most recent YTD aggregation and the three prior years' YTD aggregations, as well as the growth rate between the oldest and newest YTD totals. The results can be sorted by value (as well as by quantity at the ten-digit level) and regenerated by commodity, country, customs district area, measure, and/or time options using the Selection Criteria listed on the left side of the screen.

## • Trade by Commodity

Use this report to show U.S. imports or exports of any of the over 18,000 commodities over time in a specific market. In the default view, you will view the value, quantity, and unit price for all commodities in all markets for the most recent and previous month, current and previous YTD aggregates, and four previous years (current year is excluded), as well as comparable month, comparable YTD, and four-year percent changes. The results can be regenerated by commodity, country, customs district area, measure, and/or time options using the Selection Criteria listed on the left side of your report screen.

## • Commodity Market Ranking

This popular report is used to determine the top markets for a commodity. You choose the commodity (or commodities) you want to analyze and the system automatically returns the level value, as well as country comparison data for the most recent and previous month, current and previous YTD aggregates, and four previous years (current year is excluded). The results are shown sorted in descending order based on the value of the most recent month, but can easily be sorted by the other time periods or growth rates available. You can also use the Selection Criteria and Report Features to further specify the information you need.

o **Analyzing at the ten-digit HS level?** If so, take note of the following shortcut: You can use the small ■ arrows above your Commodity Market Ranking

report to toggle your view between the three available measurement options (value, quantity, and unit price).

## • Commodity Profile

View the value, quantity, and unit price of a particular commodity (or commodities) by country for the most recent month, current YTD, and previous YTD. The results are automatically sorted in descending order by value for the most recent month, but can easily be sorted by the various time periods or growth rates available. Note: Quantity and unit price detail are only available at the ten-digit HS level.

## • Commodity Time Series

This report provides a four-year annual history of the value, quantity, and unit price for a commodity (or commodities) by country. The results are automatically sorted in descending order by value for the previous year, but can easily be sorted by any of the three previous years. Note: Quantity and unit price detail are only available at the tendigit HS level.

## • Country by Commodity

Used to analyze value changes over time of a specific commodity and country. The results can be sorted by value and quantity for the most current month, cumulative data for the current calendar year, and cumulative data for the previous year's corresponding timeframe.

O Analyzing at the ten-digit HS level? If so, take note of the following shortcut: You can use the small ■ arrows above your Country by Commodity report to toggle your view between the three available measurement options (value, quantity, and unit price).

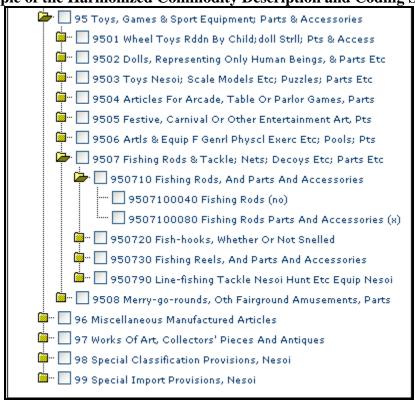
### **Step 2 – Commodity Selection**

The Commodity Selection screen allows you to pinpoint the merchandise you want to analyze. USA Trade *Online* is a full-text searchable database that uses natural-query language. Therefore, quotes around phrases and Boolean operators should not be used. In addition to typing in a word or phrase describing your desired commodity, you can enter a product's HS code directly into the search engine.

The United States defines imports and exports differently at the ten-digit level. The Census Bureau administers export codes (also known as Schedule B) while the USITC administers import codes (called the Harmonized Tariff Schedule of the United States of America). These codes are part of the Harmonized Commodity Description and Coding System established in 1989 (commonly referred to as Harmonized System or "HS" codes) and are hierarchically arranged, from a two- to ten-digit level, increasing in detail with level. For example, let's say you're interested in fishing rods. As shown in *Figure 5.7*, data on fishing rods is found in Chapter 95 ("Toys, Games & Sport Equipment; Parts & Accessories"). Drilling

down through the four- and six-digit levels, you will eventually find specific information on fishing rods only:

Figure 5.7
Example of the Harmonized Commodity Description and Coding System



The HS nomenclature used to classify both imports and exports can be unexpected at times, typically a result of a product's unique history. For example, the machines we have come to know as personal computers were originally classified in Chapter 84 ("Nuclear Reactors, Boilers, Machinery Etc.; Parts"). Fortunately, Census Bureau Commodity Specialists are available at 301-763-3041 to help you find the classification information you need to perform your research. See the commodity section under Selection Criteria below for more information.

### Step 3 – View Report

Once all commodity selections have been made, click **View Report** (see note 1 in *Figure* 5.8) in the upper-left corner of your screen – and voila – a table will appear! It's that easy.

The Commodity Selection screen on USA Trade Online Standard Report - Monthly Imports Author: US Bureau of the Census: Foreign Trade Division VIEW REPORT USA Trade Online®©. (2) Commodity Search Bar Commodity Default Member: All Commodities (1) Displays Report Table Search | Show all Search for word or phrase: Selection method: 

Single member 

Range 

Entire folder HS Commodity Detail Level: All: 2 digits: 4 digits: 6 digits: 10 digits: Select all: 🗹 Clear all: 🔀 🗁 🔲 All Commodities (4) Additional Commodity Ö ... □ 01 Live Animals **Selection Options** 👜 ... 🔲 02 Meat And Edible Meat Offal. 👜 🗌 03 Fish, Crustaceans & Aquatic Invertebrates 算 🗔 04 Dairy Prods; Birds Eggs; Honey; Ed Animal Pr Nesoi . 👜 🔲 05 Products Of Animal Origin, Nesoi 👜 🔲 06 Live Trees, Plants, Bulbs Etc.; Cut Flowers Etc. (3) Expandable Tree of HS Codes 👜 🗔 07 Edible Vegetables & Certain Roots & Tubers 算 -- 🔲 08 Edible Fruit & Nuts; Citrus Fruit Or Melon Peel 🚊 ... 🔲 09 Coffee, Tea, Mate & Spices 👛 🗌 10 Cereals

Figure 5.8

USA Trade *Online* is extremely user-friendly, but it can't read your mind (yet!). Chances are you won't see exactly what you're looking for right away. You will need to determine the data dimensions you want (see the section on Selection Criteria below) and play around with different charting and graphing options (more on this in the Reporting Features and Reporting Options sections) to complete your analysis.

Online help related to commodity selection is available at <a href="http://www.census.gov/foreign-trade/reference/codes/index.html">http://www.census.gov/foreign-trade/reference/codes/index.html</a>, including information on converting the North American Industrial Classification System and Standard Industrial Classification codes to HS codes. You can also contact the Electronic

## Step 4 - Selection Criteria

The Beyond 20/20 software, Vista 2.3, powering USA Trade *Online* presents data in spreadsheet format, much like what you see in *Figure 5.9*. Here's the exciting part: *YOU* determine what type of data (called "dimensions") populates the rows and columns.

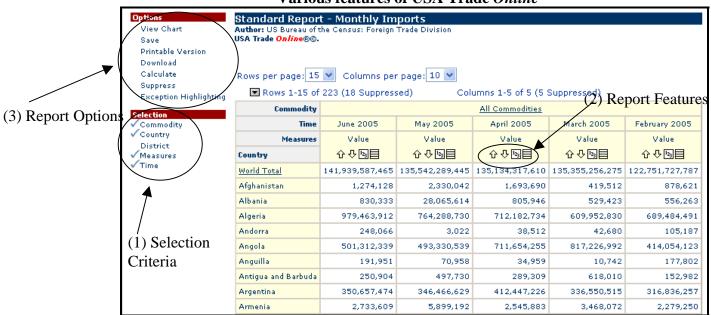


Figure 5.9 Various features of USA Trade *Online* 

After you've viewed an initial report, you can start playing around with selecting the different dimensions – commodity, country, district, measure, and time (see note 1 in *Figure 5.9*) – until your research objectives have been met. Information on each dimension is detailed below:

#### **Commodities**

• Whether you want to analyze one commodity or several, there are multiple ways to go about your task. As shown in *Figure 5.8*, you can select commodities using the **search function** (see note 2), by drilling down through the **expandable list of HS Codes** (see note 3) until you find what you want, or by using the various options for **selecting multiple commodities** (see note 4). For example, if you want to view all commodities on the two-digit level, check the box to the right of "2 digits" (this works for the four, six-, and ten-digit levels as well). For data on all commodities, do not enter a commodity code. Instead, click the box next to "Select all." Likewise, you can clear previous selections by clicking the button next to "Clear all."

- The "All Commodities" option represents the sum of all merchandise trade for either import or export commodities, depending on which report type you chose on the Data Source Selection screen.
- While viewing a report, you can click on the hyperlinked commodity description to increase the commodity detail.

#### **Countries**

- With the exception of Commodity Market Ranking, Commodity Profile and Commodity Time Series reports, which pre-select each individual country but not the world total, your report will include all countries *and* world total. Therefore, you may want to use this option to specify the market(s) you are interested in. After clearing the default selections (by clicking the button next to "Clear all,") you can either manually select as many or as few trading partners as you wish or use the various country selection options.
- Countries (around 240 are defined) are listed on USA Trade *Online* according to their official name. For example, "Germany" is listed as "Federal Republic of Germany." A search for "Germany" would highlight this, however looking through the list alphabetically would not.

#### **Districts**

- A district is an area within the United States comprised of several ports in the same
  general location. For example, the Los Angeles district includes the ports of Los Angeles,
  Long Beach, Los Angeles International Airport, El Segundo, Las Vegas, etc. Importantly,
  a district is not specific to a state and ports from different states can be in the same
  district. Notice in the above example that Las Vegas, Nevada is included in the Los
  Angeles district. You cannot extrapolate state-level information under this dimension.
- USA Trade *Online* does not automatically include district detail in any of the report types. You must add this information by either manually selecting the district(s) of interest or using any of the district selection options (e.g. "Selection method" and "Level").
- In addition to the roughly 42 custom districts, you can also use this dimension to view data on low-value shipments and ships/vessels that leave/enter the United States under their own power, such as exported or imported cruise ships (select "Shipments Individually" and "Vessels Own Power," respectively).

#### Measures

- Depending on the report type you selected on the Data Source Selection screen, you will see a combination of the available measures, namely value, quantity and unit price. Importantly, value data are provided at all digit levels, but quantity and unit price values are only provided at the ten-digit level. If the default options do not fit your research needs, you can select and/or deselect the default options.
- Abbreviations for units of quantity are included in parenthesis following the commodity description at the ten-digit level on your commodity selection screen. See *Table 5.1* for a description of these abbreviations.

Table 5.1 Merchandise Trade Quantity Units

Abbreviations	Definitions
BBL	Barrels
CAR	Carat
CKG	Content Kilogram
CM2	Square Centimeters
CGM	Content Gram
CTN	Content Metric Ton
CYK	Clean Yield Kilogram
DOZ	Dozen
DPC	Dozen Pieces
DPR	Dozen Pair
DS	Doses
FBM	Fiber Meter
GBQ	Gigabecquerels
GCN	Gross Containers
GM	Gram
GRL	Gross Lines
GRS	Gross
HUN	Hundreds
JWL	Jewel
KG	Kilogram
KM3	Cubic Kilometers
KTS	Kilogram Total Sugars
L	Liters
LNM	Linear Meters
M	Meters
M2	Square Meters
M3	Cubic Meters
MBQ	Megabecquerels
MWH	Megawatt Hours
NO	Number
ODE	Ozone Depletion Equivalent
PCS	Pieces
PFL	Proof Liter
PK	Pack
PRS	Pairs
SQ	Square
T	Metric Tons
THM	Thousand Meters
THS	Thousand
X	No First Unit of Qty

#### Time

- Although the default time settings vary from one report type to another, users can easily manipulate the defaults to fit their research objections.
- There are two options in the time dimension: "Standard Selection" and "Advanced Selection." When changing from Advanced to Standard Selection, make sure to use the "Clear All Selections" button first.
  - Standard Selection follows the format laid out in the other dimensions, allowing users to make selections manually or using the time selection options (e.g. "Selection method" and "Level"). Additionally, users can elect to have time data shown in reverse order. This means that your time data will appear along your x-axis with the most recent to the right of the previous month a useful tool when graphing or charting market trends over time.
  - O Advanced Selection offers the same capabilities; it just approaches it in a slightly different manner and raises the bar by including base/previous period and lag options. Additionally, under Advanced Selection, you can add in YTD aggregations and growth rates. A work of caution when using the advanced selection options don't forget to save your work (there's a "Save Selection" button beneath the time selection details) before viewing the results!

# **Step 5 – Report Features and Report Options**

Once you've gone about selecting your report type and detailing your data dimensions, you can use the following **Report Features** (see note 2 in *Figure 5.9*) to manipulate and better organize your data:

- **Drag and Drop.** In the upper-left corner of your report, you'll see header labels in gray boxes. For example, in *Figure 5.9*, "Commodity," "Time," and "Measures" (value) are in the columns, while the "Country" dimension populates the rows. You can manipulate these tables by dragging and dropping the different dimensions. To move a header to a different location in Internet Explorer, you left-click the header you want to move and drag it over the header that you want to switch places with, before finally releasing. The header being "replaced" should turn yellow before you release it in order for this to work. Note: If necessary, call 1-800-STAT-USA for help doing this with browsers other than Internet Explorer.
- **Sorting.** Any column in a report can be sorted by clicking on one of the small arrows at the top of the column. The down arrow ♥ will sort your data in descending order (from highest to lowest) while the up arrow ♠ will do the opposite (from lowest to highest). It is important to note that the system only sorts according to the dimension directly adjacent to the data cells.
- Rank Ordering. Rank ordering takes sorting one step further by displaying an actual rank (numerical form in ascending order) to the values in a particular column. Unlike sorting, however, this option only appears when there is one dimension header making up the reports' rows.

• Top/Bottom Reduction. Imagine you are trying to find the top ten trading partners of the United States. Instead of going back to your country dimension and manually deselecting the countries coming in at 11 or above, you could use your top/bottom reduction option 

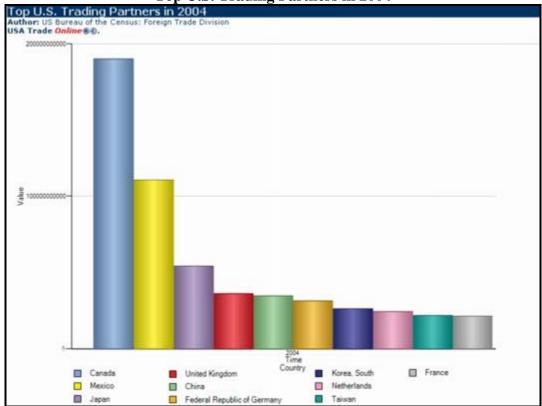
to select the top ten values. Likewise you can choose to look at upper- and lower-tier values by percent and sum. For example, you can view only entries accounting for 10 million dollars or more or only those countries accounting for 10 percent or more of the total value.

# **Report Options**

Finally, you can use your **Report Options** (see note 3 in *Figure 5.9*) to make your report more visually appealing. Report Options include making a chart, saving your report, previewing a report for print, downloading reports into other formats, making calculations, suppressing empty cells, and highlighting data points of interest. Highlights of some of these options are discussed below:

• **View Chart.** The chart option provides a visual representation of the data, making it easier for the user to recognize trade trends and market share. Data can be represented in 12 different types of charts, including pie and line graphs. The trick to mastering this feature is to familiarize yourself with the organization of the user interface. A good rule of thumb is to remember that the categories adjacent to the data cells will be illustrated in your chart. For example, if the Time dimension goes along the top of the report and the Countries dimension falls along the side of the report, then the graph will place countries on the y-axis and time on the x-axis. *Figure 5.10* is an example of a Column chart created in USA Trade *Online*.

Figure 5.10
Top U.S. Trading Partners in 2004



- **Save Change Title and Notes.** Reports can be saved for future reference. These reports are saved for a given account under the **My Reports** (see note 6 in *Figure 5.6*) tab found on the top navigation bar. These are designed to be re-executed when new data is released, for example at the monthly update. They generate the same report as the initial one (prior to saving), but with the new data. Users on shared systems should be aware that saved reports are not be grouped by individual user. A running list of reports for all users from the same username/password appears under the My Reports tab.
- **Download.** Information from the various report types can also be downloaded into a variety of formats to a user's storage media. Reports can be downloaded in Microsoft Excel (.xls) or Delimited Text (.csv) formats.

# **Frequently Asked Questions**

• How current are the data on USA Trade *Online*? The data on USA Trade *Online* are updated the same day the information is released by the Census Bureau. Generally, the data is released about 40 days behind the reference month. A schedule of data release dates is available from the USA Trade *Online* home page.

- How do people use USA Trade *Online*? USA Trade *Online* allows users to conduct price comparisons, market penetration studies, foreign competition studies, new market research, time series analysis, and more.
- I have made all my commodity selections, but can't get a "report" to show up. Where is the "Go" button? The "View Report" link has replaced the "Go" button (from an earlier USA Trade *Online* user interface). It is found in the upper-left corner on most screens.
- When I use the calculate percentages command under Report Options, the values seem to be half of what they should be. How do I fix this? When someone wants to calculate shares of all countries for a particular commodity but keeps World Total selected in the Country Selection screen, all the shares for the separate countries will be half of what they should be, with World Total showing a share of 50 percent. This occurs because the value for World Total by definition is equal to the sum of the values for all countries (we'd be in real trouble if it wasn't!). To avoid this problem, make sure that when you are calculating your percentage shares, you deselect World Total (unless of course this action in desired based on your research question or questions).

#### EXPERIENTIAL EXERCISES

The following materials are designed to enhance the learning experience and to help students become familiar with using a variety of research sources for the further understanding of international marketing.

Following each exercise, you'll find a series of notations intended to help you navigate STAT-USA/Internet's various databases. Starting from STAT-USA/Internet's home page (<a href="http://www.stat-usa.gov">http://www.stat-usa.gov</a>), you will be directed to enter either State of the Nation (SOTN) or the National Trade Data Bank (NTDB). SOTN contains an additional database, called the SOTN Library. Likewise, within the NTDB, there are additional databases, namely Market Research Reports (MRD) and the International Trade Library (ITL). You can link to MRD by clicking on any of the reports listed under the "Market and Country Research" heading on the main NTDB page (Note: Country Background Notes and AgWorld Attache Reports are not part of MRD, although they are listed in this section of the NTDB). Descriptions of the destination files and reports are detailed in *Chapter Five*, and you can also find a list of abbreviations and acronyms in the *Appendix*.

Exercise One: Consider Electronic Books for Export?

Exercise Two: Other "Economics" Behind E-Book Markets

Exercise Three: Telecommunications can be Lucrative

Exercise Four: Distribution Channels are Important to Export Success

Exercise Five: Consider Geographic Factors for Wheelchairs

Exercise Six: Practice Your Swing – Identifying Export Market Trends and

Market Penetration for Golf Accessories

Exercise Seven: Religion can Help... or Hinder

Exercise Eight: "Just Say YES"... to Asparagus!

Exercise Nine: Where's the Beef?

Exercise Ten: Need Help with Your Foreign Business Venture? Try Uncle Sam!

Exercise Eleven: International Buyers... One Click Away

Exercise Twelve: All This Over One Cow?

Exercise Thirteen: The Language of International Business

Exercise Fourteen: Widening the Information Highway

Exercise Fifteen: Accessibility and Literacy

Exercise Sixteen: Using Assistive Technology at the Speed of Life

Exercise Seventeen: Voice Recognition Technology and VoIP

### **EXERCISE ONE: Consider Electronic Books for Export?**

The structure of a country's population can have a major effect on the outcome of a firm's international marketing effort. For example, the composition of age groups affects how technologies for reading and printing should be employed. An aging population, especially one with excess leisure time, could create favorable conditions for marketing electronic books (e-books) or other technologies that support large-print reading options. Assume your company wants to export large print, screen versions of e-books to aid the leisure reading activities of wealthy retired people. While there are many related questions ripe for research, we will focus here on questions related to demographics. Which countries have high proportions of aging people? What is the state of communications and technology in these countries?

Use STAT-USA/Internet's NTDB to identify five potential markets for large print e-books based on the following list of demographic factors:

- Overall Population and Age Distribution
- Growth Patterns, such as Birth, Death, and Net Migration Rates
- Gender by Age Group
- Internet Users as a Percentage of the Population

**STAT-USA/Internet Sources:** Country Background Notes (Home > NTDB > BNOTES or Home > NTDB > ITL > BNOTES), World FactBook (Home > NTDB > ITL > WOFACT), World FactBook Comparative Fields (Home > NTDB > ITL > WOFCMP) and World FactBook Comparative Tables (Home > NTDB > ITL > WOFTAB).

### **EXERCISE TWO: Other "Economics" Behind E-Book Markets**

In order to determine which market or markets should be considered for your product or service, it is important to understand the economic position of different countries. With more than 225 countries to choose from, business managers need a broad scan of credible and up-to-date economic information in order to make informed decisions. Using the countries selected above in Exercise One as potential markets for large print electronic books, consider the following key economic variables.

For starters, it is important to look at both total and per capita GDP. After all, it would be difficult to sell electronic books to the masses if the country's wealth is concentrated, leaving the majority without disposable income. The presence of excessive national trade debt could force a country's exports up and imports down in order to meet interest payments. You will also want to explore the country's buying power compared to others by looking at the exchange rate – how does their currency compare to the U.S. dollar? What is the country's employment situation? If unemployment in a country is high, it may be more favorable for second-hand book sales rather than large print e-books. And finally, it is important to check inflation – the rate at which prices rise and fall – which impacts the ability of consumers to buy.

Use STAT-USA/Internet's NTDB to create tables comparing potential markets and use these to reach a final decision about your new export market.

- Gross Domestic Product
  - Total GDP
  - o GDP Growth Rate
  - Per Capita GDP
  - o Distribution of Wealth (among the population)
  - o Dependence of Income (on a particular industry, for example, oil)
- The Debt Situation
  - o Foreign Trade Deficit/Current Accounts
  - o Exchange Rate Stability
- The Employment Situation
- Inflation

STAT-USA/Internet Sources: Country Background Notes (Home > NTDB > BNOTES or Home > NTDB > ITL > BNOTES), Country Commercial Guides, Section II (Home > NTDB > MRD > CCG), Foreign Labor Trends reports, select countries (Home > NTDB > ITL > FLT), World FactBook Comparative Fields (Home > NTDB > ITL > WOFCMP), World FactBook (Home > NTDB > ITL > WOFACT) and World FactBook Comparative Tables (Home > NTDB > ITL > WOFTAB).

### **EXERCISE THREE:** Telecommunications can be Lucrative

Changes in international markets can open up business opportunities for U.S. companies. Assume, for example, your small business exports telecommunications equipment. Your company already has established international markets, but would like to broaden its base by investing in new markets. Where to start? One place is to watch for state-owned telecommunication monopolies in the process of opening up to private industry, both domestically and internationally. The careful business executive will also want to investigate the potential market's foreign direct investment environment.

Use STAT-USA's NTDB to explore both state-owned monopoly changes and the environment for foreign direct investment. Provide a list of three countries you recommend keeping an eye on for either current or future investment.

STAT-USA/Internet Sources: Country Commercial Guides, Section VII (Home > NTDB > MRD > CCG), International Market Insight reports by Industry All (Home > NTDB > MRD > IM I> Browse Location by Industry All > Information and Communication), Industry Sector Analysis reports by Industry All (Home > NTDB > MRD > ISA > Browse Location by Industry All > Information and Communication), World FactBook (Home > NTDB > ITL > WOFACT), World FactBook Comparative Fields (Home > NTDB > ITL > WOFCMP), and World FactBook Comparative Tables (Home > NTDB > ITL > WOFTAB).

## **EXERCISE FOUR: Distribution Channels are Important to Export Success**

You work for a small-to-medium sized business specializing in health technologies. Historically, your company has focused almost entirely on the U.S. market. You have recently learned that international demand for hearing aids – one of the products you manage at work – has picked up. After performing an in-depth analysis of potential markets and presenting them to your boss, she has asked you to find out more about the distribution channels in Argentina, Singapore, and Turkey. What is the primary method of distribution (direct exporting, appointing a sales agent on a commission basis, hiring an export management company to represent the product, joint venture, etc.)? How will the product be sold (chain stores, independent retailers, specialty stores, etc.) and marketed? What transportation methods are available? Consider the degree to which the answers to these questions are conducive to your product.

Use STAT-USA/Internet to find answers to the questions posed above for these select markets. Based on your research, decide which is the most favorable market for hearing aids in terms of distribution channels. Finally, prepare a brief memo for your boss justifying your selection and detailing your distribution plan for this market.

STAT-USA/Internet Sources: Country Commercial Guides (Home > NTDB > MRD > CCG), International Market Insight reports by Country All (Home > NTDB > MRD > IMI > Browse Location by Country All > Argentina/Singapore/Turkey), International Market Insight reports by Industry All (Home > NTDB > MRD > IMI > Browse Location by Industry All > Health Technologies), Industry Sector Analysis reports by Country All (Home > NTDB > MRD > ISA > Browse Location by Country All > Argentina/Singapore/Turkey), Industry Sector Analysis reports by Industry All (Home > NTDB > MRD > ISA > Browse Location by Industry All > Health Technologies).

## **EXERCISE FIVE: Consider Geographic Factors for Wheelchairs**

You have been assigned to a new product area by the assistive technologies firm for which you work. More specifically, you are now in charge of rehabilitation equipment, such as wheelchairs. Your boss has asked you to bring him a list of qualified trade leads for wheelchairs. He goes on to stress the importance of a country's geology when considering new wheelchair markets. Where is the country located? Do both the host country and bordering countries show signs of significant wheelchair usage? Is the country's terrain conducive to the movement of wheelchairs?

First, search the various trade lead databases found on STAT-USA/Internet to compile your list of credible leads. Then, research the geographical environment of these areas as they relate to wheelchair use and distribution. Finally, using the information you have gathered, prepare a brief presentation that details these findings for your boss.

STAT-USA/Internet Sources: Site Search (Home > Site Search or <a href="http://www.stat-usa.gov/search">http://www.stat-usa.gov/search</a>), United Nations Trade Leads (Home > NTDB > Current and Historic Trade Leads > ETO) World FactBook (Home > NTDB > ITL > WOFACT), World FactBook Comparative Fields (Home > NTDB > ITL > WOFCMP), and World FactBook Comparative Tables (Home > NTDB > ITL > WOFTAB).

# **EXERCISE SIX:** Practice Your *Swing* – Identifying Export Market Trends and Market Penetration for Golf Accessories

U.S. firms can capitalize on market shifts by identifying foreign market trends and opportunities. When attempting to identify foreign market trends and opportunities, it is necessary to first find out where particular products or services are selling well or not so well by analyzing the export performance of a variety of products in a number of countries. By doing so, you will be able to determine overall trends and changes in targeted foreign markets by particular product or service categories. Eventually, as you will discover in subsequent Exercises, you will want to look at more country-specific information, such as trade regulations, trade leads, and other micro-level data.

Using USA Trade *Online*, show cyclical changes in U.S. exports of golf clubs, as well as golf balls and accessories. What would you expect exports of golf-related products to look like during the coldest winter months compared to in the middle of the summer? Which countries are the top importers of American-made golf clubs and why might this be the case? Show how the observed trends differ in countries where the climate remains relatively constant year round (Mexico, for example)?

## **USA Trade Online Tips:**

- **Recommended Report Options** > Standard Report Monthly Exports and Standard Report Annual Exports
- **HS Codes of Interest** > Golf Clubs (950631), Golf Balls (950632), Golf Equipment ex Clubs & Balls; Parts And Accessories (950639)
- Call STAT-USA's Customer Service at 1-800-STAT-USA with questions!

While beyond the scope of this Exercise, additional information to guide your research on emerging markets for golf-related products can be found in the following **STAT-USA/Internet Sources: International Market Insight reports by Industry All** (Home > NTDB > MRD > IMI > Browse Location by Industry All > Consumer Goods and Home Furnishings), **Industry Sector Analysis reports by Industry All** (Home > NTDB > MRD > ISA > Browse Location by Industry All > Consumer Goods and Home Furnishings) and **STAT-USA Site Search** (Home > Site Search or <a href="http://www.stat-usa.gov/search">http://www.stat-usa.gov/search</a>).

## **EXERCISE SEVEN: Religion can Help... or Hinder**

Religion has an impact on international marketing that is seen in a culture's values and attitudes toward entrepreneurship, consumption, and social organization. The impact will vary depending on the strength of the dominant religious tenets. While religion's impact may be quite indirect in Protestant Northern Europe, its impact in countries where Islamic fundamentalism is on the rise may be profound. Take, for example, the role of women in business in the Middle East, where women are not able to function as they would in the West. You can imagine the effects of this cultural norm – a firm may be limited in its use of female managers or personnel in these areas, and women's role as consumers and influencers in the consumption process will need to be accounted for. The recognition of different world religions – Christianity, Islam, Hinduism, Judaism, etc. – leads to the practice of unique customs and traditions in different countries. As you begin to establish relationships with international partners, you will want to give some consideration to giving culturally sensitive gifts during holidays.

In previous Exercises you have highlighted potential markets for your products and services. Now you can do the background research necessary to facilitate positive relationship building you're your new friends and partners. Use STAT-USA/Internet's various market research databases to discover at least one nationally recognized holiday in each of the countries you've researched to date. Next, build a table which not only highlights whether or not gift giving is appropriate, but also details what types of gifts are recommended and which are to be avoided.

**STAT-USA/Internet Sources:** Army Area Handbooks (Home > NTDB > ITL > ARMAN), Country Commercial Guides (Home > NTDB > MRD > CCG), Country Background Notes (Home > NTDB > BNOTES or Home > NTDB > ITL > BNOTES), World FactBook (Home > NTDB > ITL > WOFACT), World FactBook Comparative Fields (Home > NTDB > ITL > WOFCMP), and World FactBook Comparative Tables (Home > NTDB > ITL > WOFTAB).

## **EXERCISE EIGHT: "Just Say YES"... to Asparagus!**

To succeed in a market, the international marketer needs much more than business know-how. He/she must also understand the intricacies and potential impacts of domestic and national and international politics and laws. There are numerous examples of the linkage between politics and international lawmaking. Most of us are aware of various governmental initiatives aimed at decreasing drug usage, from the "Just Say No" campaign and aggressive pursuit of Central and South American drug cartels to stricter penalties for drug dealers and users alike. One lesser-known tool in the government's "war on drugs" arsenal is a policy called alternative development aid. The United States enacted such a policy with Peru in 1990, granting year-round subsidies to Peruvian farmers interested in growing asparagus. The rationale behind this policy was to create an incentive for cultivating crops other than coca plants (from which cocaine is derived).

Imagine you are a U.S. asparagus grower trying to come up with a creative way to avoid lost revenues due to the subsidy to Peruvian asparagus growers (which has caused the price of imported asparagus to plummet). First, using USA Trade *Online*, show the impact of this policy on the U.S. fresh/chilled asparagus industry (i.e. what has happened to asparagus exports from the United States?). Also, show asparagus imports from Peru. Do these graphs reflect what you would expect given the explanation above – why or why not? Next, use STAT-USA/Internet to explain how U.S. exporters of fresh/chilled asparagus successfully circumvented the potential drop in exports at the hands of increasing imports of Peruvian asparagus. Finally, recreate the graphs from the original step, only this time looking at canned (or preserved) asparagus. Is there a difference in how this policy affected the fresh/chilled sector versus the prepared sector? Given your knowledge of globalization, why do you think this is?

## **USA Trade Online Tips:**

- **Recommended Report Options** > Standard Reports Annual Imports and Standard Reports Annual Exports
- **HS Codes of Interest** > Asparagus Fresh or Chilled (070920), Asparagus Prepared or Preserved NESOI (200560)
- Sorting by growth rate is a very useful tool in USA Trade *Online*. To show growth rates on your report, go to the Time dimension and edit the current time setting (default is monthly). Down at the bottom you will see a drop box labeled "Display". This can be set to Value, Growth Rates, or Value and Growth Rates.

STAT-USA/Internet Sources: Industry Sector Analysis Reports (Home > NTDB > MRD > ISA > Browse Reports by Country > Peru), International Market Insight Reports (Home > NTDB > MRD > IMI > Browse Reports by Country > Peru), Global Agriculture Information Network (GAIN) AgWorld Attaché Reports (Home > NTDB > AgWorld > GAIN > Current by Country > Peru), and STAT-USA Site Search (Home > Site Search or <a href="http://www.stat-usa.gov/search">http://www.stat-usa.gov/search</a>). Recommended Keywords: Peru, asparagus.

#### **EXERCISE NINE:** Where's the Beef?

When considering an international business venture, it is important to understand the laws and economic issues affecting the business climate. Evidence of a government's commitment to dismantling quotas, tariffs, and other trade barriers can help build the case for entering a new market. Take NAFTA, for example, which removed trade barriers between Canada, Mexico, and the United States, effective January 1, 1994. This agreement was part of a larger effort to consolidate these countries into a single integrated free trade market. Yet, U.S. beef exports to Mexico decreased in 1995, the year following NAFTA's inception. Coinciding with this drop in beef exports from the United States, live cattle imports from Mexico increased dramatically. These events provide a good case study for investigating economic and legal factors at play in international markets.

- Using the market research reports available on **STAT-USA/Internet**, explain three key **economic factors** at play in the poor performance of U.S. beef at this time.
- Next, using **USA Trade** *Online*, show what these trends have looked like since 1995. What two legal agreements, other than NAFTA, were behind the marked increase in U.S. imports of Mexican live cattle?

## **USA Trade Online Tips:**

- **Recommended Report Options** > Standard Report Annual Exports and Standard Report Annual Imports
- **HS Codes of Interest** > Bovine Animals, Live (0102) and Meat of Bovine Animals, Fresh Or Chilled (0201)

#### **STAT-USA Sources:**

Global Agriculture Information Network (GAIN) AgWorld Attaché Reports (Home > NTDB > AgWorld > GAIN > Current by Country > Mexico).

## **EXERCISE TEN: Need Help with Your Foreign Business Venture? Try Uncle Sam!**

As an exporting international marketer, you must also develop a comprehensive and cohesive communications strategy. Fortunately, you have an arsenal of tools to choose from, two of the most basic are -(1) mass selling through business and trade journals, direct mail, the Internet, trade shows, and missions, and (2) personal selling, which brings you face-to-face with your target customer. Companies planning on long-term involvement in a particular country/product arena often find trade shows a useful way to strategically use several key promotion strategies. Although costly

One way to discover which trade fairs are appropriate for your product or service is to work with U.S. government representatives, both here at home in local Export Assistance Centers and abroad in U.S. Embassies and Consulates. You can also research trade fairs and related promotion events on your own with STAT-USA's market research database. Using STAT-USA/Internet, list the name, date, and location of both recent and upcoming trade fairs related to assistive technologies.

**STAT-USA Sources:** Country Commercial Guides, Section XIII (Home > NTDB > MRD > CCG), Site Search (Home > Site Search or http://www.stat-usa.gov/search).

## **EXERCISE ELEVEN: International Buyers... One Click Away**

As you learned in the accompanying text, historically, a firm with a competitive edge could count on being the sole supplier to international markets for years to come. Today, however, a compilation of factors – from technological advances and global alliances to changing international rule of law, among other factors – has fundamentally changed the buyer-supplier relationship. To keep pace with the new, streamlined face of business, you will need to become familiar with finding interested buyers for your product and/or service in the international marketplace. As you learned on your tour of STAT-USA there are a variety of private and governmental supports to facilitate these relationships. In addition to finding the contact information of potential buyers and sellers the NTDB Global Trade Directory (GTD)

This Exercise gives you the opportunity to move from the initial market screening and assessment of market potential stages towards making the actual sale (see *Figure 2.1*). Using the various trade lead databases housed on STAT-USA/Internet, find five to ten potential buyers and sellers for one of the products on which you preformed preliminary market research. Next, find the contact information of domestic, as well as international, U.S. government contacts available to support your exporting venture.

STAT-USA/Internet Sources: Agricultural Trade Leads (Home > NTDB > Current and Historic Trade Leads > ATL), Country Commercial Guides, Section IX (Home > NTDB > MRD > CCG), Defense Logistical Agency leads (Home > NTDB > Current and Historic Trade Leads > DLA), FedBizOpps (Home > NTDB > Current and Historic Trade Leads > FedBizOpps), Foreign Trade Offices (Home > NTDB > Contacts > Foreign Trade Offices), National Export Directory (Home > NTDB > Contacts > NED), Site Search (Home > Site Search or <a href="http://www.stat-usa.gov/search">http://www.stat-usa.gov/search</a>), United Nations Trade Leads (Home > NTDB > Current and Historic Trade Leads > ETO).

#### **EXERCISE TWELVE: All This Over One Cow?**

All too often, decisions to enter foreign markets are made based on perceived familiarity with a "favorite" country, recent travel to the country, existence of colleagues or contacts in or from the country and/or an overall subjective assessment of the situation. Research conducted, if at all, is often not as rigorous, intensive or quantitative as that on domestic activities. New-to-market exporters are reluctant to engage in international research due to perceived lack of familiarity with national and international data sources, and uncertainty about identifying differences in consumer preferences, culture, and market trends.

As you have learned throughout this text, the seemingly overwhelming task of international market research become quite easy when one employs the appropriate tools. Researchers can quickly determine where a particular product is being exported to or imported from in order to determine whether a product or service is amply available in a particular market or not being sold at all. Likewise, researchers can observe the micro and macro impacts of natural events and policy changes on trade patterns. Exporters and importers who recognize these trends will be able to react quickly and appropriately, ultimately gaining a distinct competitive advantage.

#### **Case Study:**

Bovine Spongiform Encephalopathy (BSE), better known as mad cow disease, is a degenerative disease, which affects the central nervous system of cattle. BSE causes dementia in cattle (hence the term "mad cow disease") because it essentially eats away at their brain tissue, eventually causing death.

First identified in Britain in 1985, BSE is a relatively new disease. It made big news in the mid-1990s when more than 100,000 infected cows were discovered throughout Europe. The contagious nature of the disease combined with its potential lethality in humans has led to many beef and cattle import restrictions along with strict containment procedures (In many European countries, an entire herd must be slaughtered and incinerated if a "mad" cow is discovered).

On December 23, 2003, BSE was discovered in a dairy cow in Washington State, marking the first time the disease was identified domestically. Given Europe's experience with BSE, how do you think this event affected U.S. beef exports? What do you think happened to U.S. beef prices? Using STAT-USA/Internet and USA Trade *Online* explain and show which countries reacted most negatively to this news? Interestingly, some countries reacted contrary to popular opinion. Why might this be the case? Which countries would you expect to react positively (in economic terms) to this news by "beefing" up imports of U.S. beef?

#### **USA Trade Online Tips:**

- Recommended Report Options > Standard Report Monthly Exports and Standard Report – Annual Exports
- **HS Codes of Interest** > Meat of Bovine Animals, Fresh or Chilled (0201) and Meat of Bovine Animals, Frozen (0202)
- Countries of Interest > South Korea, Japan, Mexico, Taiwan, Poland, Nigeria, Honduras, and Bangladesh
- Sorting by growth rate (see *Exercise 8* for more details)

STAT-USA/Internet Sources: International Market Insight Reports (Home > NTDB > MRD > IMI), Global Agriculture Information Network (GAIN) AgWorld Attaché Reports (Home > NTDB > AgWorld > GAIN > All by Date > Late 2003 and Early 2004) and STAT-USA Site Search (Home > Site Search or <a href="http://www.stat-usa.gov/search">http://www.stat-usa.gov/search</a>.) Recommended Keywords: Mad, Cow, BSE.

## **EXERCISE THIRTEEN: The Language of International Business**

While the international market provides immense export opportunities for U.S. companies, one of the greatest barriers for achieving success is the ability to communicate clearly with international markets. English has become the *franca lingua* of business, but a company's growing and sustainable success comes from its ability to localize language on materials including product labels, advertisements, and manuals. This localization strategy often requires extensive and expensive translations, especially if the original text is written in a complex style. Therefore, the adoption of a simplified style of writing, or "plain language" writing, can significantly reduce the cost of translation *and* better accommodate one of the fastest growing consumer markets, users of ESL.

To better understand the magnitude of languages that are spoken in international markets, use STAT-USA/Internet to answer the following questions:

- ➤ How many languages are spoken by at least 500,000 people in China, India, Poland, and Mexico? What are the names of these languages?
- ➤ Within each country, is there a clear distinction between the language spoken and geographic location?

**STAT-USA/Internet Sources:** World FactBook (Home > NTDB > ITL > WOFACT), World FactBook Comparative Fields (Home > NTDB > ITL > WOFCMP), and Country Background Notes (Home > NTDB > BNOTES or Home > NTDB > ITL > BNOTE).

## **EXERCISE FOURTEEN: Widening the Information Highway**

As the exporting manager of an AT firm, you have been given the responsibility to identify viable markets for your company's newest product – online education software. While the prospects seem endless at first, especially since education levels in emerging markets are low relative to those of developed countries, you realize that developing countries may also have poor technology infrastructure. In particular, countries with low-bandwidth environments, few Internet hosts, and a small number of Internet users, warrant special attention.

Use STAT-USA/Internet to find the level of Interest hosts, Internet users, and bandwidth for the following developing countries: Mexico, Poland, China, and Turkey. In addition, find the same information for developed countries including the United States, Japan, and Sweden and compare the statistics.

Finally, while some countries may currently have weak information technology infrastructures, heavy investments in that industry may be underway. Use STAT-USA/Internet to identify these investment trends. By recognizing these markets and investments early, your firm can anticipate export opportunities and create an invaluable first-mover's competitive advantage in the international market.

STAT-USA/Internet Sources: World FactBook Comparative Tables (Home > NTDB > ITL), International Market Insight reports by Industry All (Home > NTDB > MRD > IMI > Browse Location by Industry All >Information and Communication), Industry Sector Analysis reports by Industry All (Home > NTDB > MRD > IMI > Browse Location by Industry All > Information and Communication), and International Telecommunication Union Digital Access Index (http://www.itu.int/ITU-D/ict/dai/).

## **EXERCISE FIFTEEN: Accessibility and Literacy**

Many AT products were designed initially to accommodate people with physical disabilities. The same technologies can also be immensely useful to a wider and more international market. For example, speech recognition technology was used originally to meet the needs of people with mobility disabilities. The same technology, however, can also be of value to consumers of low literacy.

Use STAT-USA/Internet to find literacy rates of the following countries: Mexico, Argentina, Turkey, India, and the Philippines. To a certain extent, literacy rates can be forecasted using current indicators such as the percentage of primary and secondary school enrollment and the country's compulsory level of education. Find these statistics in the STAT-USA/Internet database.

**STAT-USA/Internet Sources: World FactBook** (Home > NTDB > ITL) and **Country Background Notes** (Home > NTDB > MRD).

## **EXERCISE SIXTEEN: Using Assistive Technology at the Speed of Life**

Your assistive technology firm is in the process of marketing its newest product: software for accessible human-computer interfaces. This technology was designed originally for use by people with learning disabilities. You, however, have realized that the same technology can simplify transactions on public-access terminals, such as ATMs. Specifically, the use of accessible human-computer interfaces in countries with high-density populations can reduce the time it takes to complete ATM transactions, shorten queues for servicing, and increase overall customer satisfaction.

Your task is to identify potential markets for the technology. Use STAT-USA/Internet to find the land area and the population statistics for the following countries: Mexico, China, India, Brazil, and Egypt. Next, use the information to calculate population density (defined as total population divided by total land area). How does the population density of these countries compare to those of developed countries such as the United States, Norway, and Japan?

**STAT-USA/Internet Sources:** World FactBook (Home > NTDB > ITL) and Country Background Notes (Home > NTDB > MRD).

## **EXERCISE SEVENTEEN: Voice Recognition Technology and VoIP**

You have been given a new assignment at the AT firm for which you work. Specifically, you are in charge of finding new market opportunities for your company's voice recognition software, a technology that allows for computer input by speech rather than keyboard strokes. Speech recognition technology was designed initially for individuals in the disability community. For example, voice recognition can help people with musculoskeletal disabilities caused by multiple sclerosis, cerebral palsy, or arthritis achieve maximum productivity on computers.

After preliminary research, you find that voice recognition software could provide tremendous benefits for the disability community *and* wider consumer market in countries with voice over IP (VoIP) infrastructure. VoIP allows individuals to make telephone calls to any regular phone number using a computer network. Coupling VoIP with voice recognition technology can open up two-way communication for individuals who are deaf or hard of hearing, as speech can be converted online into text and video sign language. In addition, VoIP and voice recognition can also provide the technology needed for biometric security. For instance, credit card users can authenticate online purchases by pronouncing – rather than typing – passwords in order to verify identity.

Your task now is to find countries that are currently or expecting to invest heavily in VoIP development. By distinguishing these markets now, you will be able to anticipate market needs and demands for voice recognition technology. STAT-USA/Internet documents including Industry Sector Analyses, International Market Insights, and Country Commercial Guides will provide invaluable information on market leads.

**STAT-USA/Internet Sources:** Country Commercial Guides, Leading Sectors for U.S. Exports and Investments (Home > NTDB > MRD), International Market Insight (Home > NTDB > MRD > IMI > Search for VoIP), Industry Sector Analysis (Home > NTDB > MRD > IMI > Search for VoIP).

## APPENDIX ABBREVIATIONS AND ACRONYMS

This *Appendix* details the abbreviations and acronyms used throughout the *Companion*.

# Abbreviation/Acronym Description

AgWorld AgWorld Attaché Reports
ARMAN Army Area Handbooks
AT Assistive Technology

ATIA Assistive Technology Industry Association

ATL Agricultural Trade Leads
ATM Automated Teller Machine
B2B Business-to-Business
B2C Business-to-Customer
BNOTES Country Background Notes

BSE Bovine Spongiform Encephalopathy

CCG Country Commercial Guides
CIA Central Intelligence Agency
CTI Cornet Technology Incorporated
DLA Defense Logistical Agency leads

E&IT Electronic and Information Technology

ESL English as a Second Language
ETO United Nations Trade Leads
FDL Federal Depository Library
FLT Foreign Labor Trends
GDP Gross Domestic Product

GIT Georgia Institute of Technology

HS Harmonized System

ICT Information and Communications Technology

IMI International Market Insight reports
ISA Industry Sector Analysis reports
ITL International Trade Library

ITTATC Information Technology Technical Assistance and Training Center

MRD Market Research Reports

NAFTA North American Free Trade Agreement

NED National Export Directory

NOAA National Oceanic and Atmospheric Administration

NTDB National Trade Data Bank
PDA Personal Digital Assistant
PMD People with Mobility Disabilities
RSVP Rapid Serial Visual Presentation
SBIR Small Business Innovation Research

SOTN State of the Nation

TIC Trade Information Center

USFCS U.S. Foreign & Commercial Service
USITC U.S. International Trade Commission
VEDP Virginia Economic Development Program

VoIP Voice Over IP WOFACT World FactBook

WOFCMP World FactBook Comparative Fields WOFTAB World FactBook Comparative Tables

YTD Year-to-Date